

STATE OF WASHINGTON

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REVIEW COMMITTEE (JLARC)



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# AGENDA

January 7, 2009  
10:00 a.m. – 12:00 p.m.  
John A. Cherberg Building  
Senate Hearing Room 4  
Olympia, Washington

► Brief descriptions of agenda items are on the reverse side.

- 10:00 – 10:05 \*1. Approval of December 3, 2008 JLARC Meeting Minutes
- 10:05 – 10:35 2. K-12 Pilot Facility Inventory, Condition & Use System Progress Report
- 10:35 – 10:50 \*3. Initial 2009-11 JLARC Work Plan
- 10:50 – 11:10 \*4. Comparing Costs and Characteristics of Housing Assistance Programs – Proposed Final Report
- 11:10 – 11:30 \*5. Review of Oil Spill Risk and Comparison to Funding Mechanism – Proposed Final Report
- 11:30 – 12:00 \*6. Annual Reports on Tax Preference Reviews – Proposed Final Reports

\* Action Item

**Please note: All listed times are estimates only and the Committee reserves the right to move agenda items as needed.**

1. **Approval of Meeting Minutes:** Approval of minutes from the December 3, 2008 JLARC meetings.
2. **K-12 Pilot Facility Inventory, Condition & Use System Progress Report:** The 2008 Supplemental Capital Budget requires JLARC to define and develop a pilot facility condition and inventory system for K-12 public school facilities. The pilot will assess the feasibility of collecting information regarding facility assessment, maintenance, and use and functionality of space. This progress report includes information about Phase I of the pilot, including a list of the ten participating school districts, a timeline, the data that will be collected, and the criteria that will be used to evaluate facilities. The report also includes information about K-12 facilities data currently collected in Washington and in other states. The pilot is scheduled to begin January 15, 2009, with a final report due to the Legislature in January 2010.
3. **Initial 2009-11 JLARC Work Plan:** RCW 44.28.083 requires JLARC to develop a 16- to 24-month performance audit work plan during the regular legislative session of each odd-numbered year. Consistent with that legislation, JLARC will be approving its initial work plan for the 2009-11 Biennium. The work plan will be modified at the conclusion of the 2009 Legislative Session to incorporate new mandated studies, and if resources remain, Committee-Sponsored studies.
4. **Comparing Costs and Characteristics of Housing Assistance Programs – Proposed Final Report:** The 2007-09 Biennial Operating Budget directed JLARC to conduct an evaluation and comparison of the cost efficiency of rental housing voucher programs versus other housing programs intended to assist low-income households. To answer the Legislature's questions, JLARC developed a model for analyzing the life-cycle cost of low-income housing developments. JLARC then compared the costs for these capital developments to the costs for vouchers for units with the same number of bedrooms in the same general locations. In an analysis that accounts for all costs and all sources of funding, JLARC found vouchers generally cost less than capital programs but there are other factors to consider. The report recommends funding agencies include life-cycle cost analysis as a part of their processes for evaluating proposals for state-administered funding.
5. **Review of Oil Spill Risk and Comparison to Funding Mechanism – Proposed Final Report:** In 2007, the Legislature directed JLARC to review the sources of spill risk and compare it to the funding mechanism for the state's oil spill programs. The results of the risk analysis conducted for the report show that oil spills are likely to occur across the state from many sources in both large and small amounts, rather than concentrated in just one source. The report concluded that the sources of risk are not directly aligned with the sources of revenues for the state's spill programs. The report also includes issues to consider for alternative funding approaches.
6. **Annual Reports on Tax Preference Reviews – Proposed Final Reports:** In 2006, the Legislature enacted EHB 1069 which mandated audit reviews of Washington's tax preferences. The reviews are divided into expedited and full reviews, depending on the fiscal impact of the tax preference. The reports recommend termination for two tax preferences, continuation for 17 tax preferences; extension of the expiration date for tax preferences pertaining to wood biomass fuel and other biofuels tax preferences; extension of the expiration date and additional accountability for the renewable energy electric generating equipment tax preferences; and clarification or modification is recommended for six other tax preferences. The preliminary reports were presented to JLARC in July; since then the Citizen Commission for Performance Measurement of Tax Preferences has conducted a public hearing on the reports and adopted comments about the JLARC staff recommendations. These comments are included in the proposed final reports.